



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
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WILLIAM T FUJIOKA  
Chief Executive Officer

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MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

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MICHAEL D. ANTONOVICH  
Fifth District

April 13, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: HARBOR-UCLA MEDICAL CENTER  
SURGERY/EMERGENCY REPLACEMENT PROJECT  
ADOPT ADDENDUM TO MITIGATED NEGATIVE DECLARATION  
EXERCISE UNILATERAL OPTION FOR CONSTRUCTION OF  
PARKING STRUCTURE  
SPECS. 5110, 6779; CAPITAL PROJECT 69220  
(SECOND DISTRICT) (4 VOTES)**

**SUBJECT**

Approval of an Addendum to the Mitigated Negative Declaration, which addresses the addition of a parking structure to the Harbor-UCLA Medical Center as part of the Surgery/Emergency Replacement Project. Also, the recommended actions will allow for the construction of the parking structure following the finding on the environmental documentation.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Consider the Addendum to the previously adopted Mitigated Negative Declaration for the Harbor-UCLA Medical Center Surgery/Emergency Replacement Project, which was adopted by your Board on April 11, 2006, find that the Addendum has been completed in compliance with the California Environmental Quality Act and reflects the independent judgment and analysis of your Board; find that your Board has reviewed and considered the information contained in the Addendum along with the Mitigated Negative Declaration prior to approving the project; and adopt the Addendum.

*"To Enrich Lives Through Effective And Caring Service"*

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2. Approve and authorize the Director of Public Works to take all steps necessary to carry out the exercise of the unilateral option for the construction of the parking structure that was included in the design-build contract awarded by your Board on September 8, 2009, and in furtherance thereof, approve and authorize the Director of Public Works to issue a change order to implement the exercise of the option, for the construction by Hensel Phelps Construction Co., of a three-story, 544-stall parking structure in the stipulated amount of \$9,717,000.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended actions will adopt the Addendum to the previously adopted Mitigated Negative Declaration (MND) and allow the Department of Public Works (Public Works) to proceed with the construction of the proposed parking structure at Harbor-UCLA Medical Center with no increase in the project budget.

### **Background**

On April 11, 2006, your Board adopted the MND and the Mitigation Monitoring and Reporting Program (MMRP) for the Harbor-UCLA Medical Center Surgery/Emergency Replacement Project (S/E Replacement Project). The project described in the adopted MND did not include a parking structure.

On September 8, 2009, your Board authorized the design-build contract for the S/E Replacement Project at Harbor-UCLA Medical Center for a total amount of \$170,857,000, which included a unilateral County option for the construction of a three-story, 544-stall parking structure in the amount of \$9,717,000 (modified project). The California Environmental Quality Act (CEQA) allows the preparation of an Addendum to address changes in the original project which do not amount to substantial changes. The adoption of the Addendum will further allow the County to exercise the unilateral option to construct the proposed parking structure.

An Addendum has been prepared, and we are now recommending that the Addendum to the MND be adopted. In addition, we are recommending that your Board exercise the unilateral option for the construction of the parking structure, and in furtherance thereof, that your Board approve a change order to implement the exercise of the unilateral option. Upon approval of the recommended actions, Public Works will take all steps necessary to implement the exercise of the unilateral option for the construction of the parking structure, including issuing the change order authorizing Hensel Phelps Construction Co. (Hensel Phelps) to complete the design and construction of the parking structure within the stipulated amount of \$9,717,000. Approval of these actions

will not impact the approved project budget and overall completion schedule. Based on the agreement with Hensel Phelps, the price to construct the parking structure is effective until April 26, 2010. After that date, the unilateral option in favor of the County at this price expires.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1), by promoting best practices for patient care and Children, Family, and Adult Well-Being (Goal 2), by investing in public health infrastructure. Completion of these recommended actions will provide increased convenience to staff and visitors, and will improve the parking conditions at the Harbor-UCLA Medical Center.

### **FISCAL IMPACT/FINANCING**

Approval of the recommended actions will have no impact on the Board-approved project budget of \$322.6 million (see attached Project Budget Summary).

The unilateral option for the construction of the parking structure in the amount of \$9,717,000 was included in the contract awarded to Hensel Phelps for the not-to-exceed amount of \$170,857,000, approved by your Board on September 8, 2009.

The project will be financed initially through the issuance of tax-exempt commercial paper and ultimately through the issuance of long-term bonds. Annual debt service is currently estimated at \$14.9 million each year, commencing in Fiscal Year 2012-13. Payments will be eligible for partial reimbursement under the State's Senate Bill 1732 Program. We will return with the Treasurer and Tax Collector to present final financing recommendations prior to the issuance of bonds.

### **CONTRACTING PROCESS**

The County's Request for Proposal (RFP) for the S/E Replacement project at Harbor-UCLA Medical Center required proposals to include Target Price Solutions intended to enhance the project's scope. As one of its Target Price Solutions, Hensel Phelps proposed design and construction of a parking structure. During negotiations, Public Works and Hensel Phelps reached agreement on a unilateral option that may be exercised by your Board for the construction of a three-story, 544-stall parking structure, for \$9,717,000. Such unilateral option was included within the design-build contract awarded by your Board to Hensel Phelps on September 8, 2009. Upon your Board's approval of the recommended actions, Public Works will inform Hensel Phelps that the

County has exercised the unilateral option for the parking structure and will issue a change order to Hensel Phelps to implement the exercise of the unilateral option.

### **FACTS AND PROVISIONS/ LEGAL REQUIREMENTS**

Pursuant to Public Contract Code Section 20137, the Board may approve a change to a construction contract in an amount that does not exceed 10 percent of the original contract price by a four-fifths vote of the Board.

### **ENVIRONMENTAL DOCUMENTATION**

The MND for the S/E Replacement project, including the MMRP was approved by your Board on April 11, 2006 and your Board found that with the implementation of the MMRP, there is no substantial evidence that the S/E Replacement project will have a significant effect on the environment. It was determined that the preparation of an Addendum to the MND was appropriate for the modified project due to the fact that some changes and additions to the MND were required to fully describe the proposed parking structure as part of the project. Pursuant to Section 15162 of the California Environmental Quality Act Guidelines, the preparation of a subsequent Environmental Impact Report is not required because none of the conditions necessitating the preparation of a subsequent MND, such as substantial changes involving new or increased environmental effects, or the need for new or considerably different mitigation measures, has occurred. The analysis concludes that the project will have no significant adverse effect on the environment with the implementation of the previously adopted mitigation measures.

No additional mitigation measures are recommended for incorporation into the previously adopted MMRP due to the implementation of the proposed parking structure. The MMRP will ensure that the project complies with the conditions of the MND and environmental mitigation measures. The recommended measures to mitigate environmental impacts will be incorporated into the construction documents.

The project is not exempt from payment of a fee to the California Department of Fish and Game pursuant to Section 711.4 of the Fish and Game Code to defray the costs of fish and wildlife protection incurred by the California Department of Fish and Game. Upon your Board's approval of the project, Public Works will file a Notice of Determination with the Registrar-Recorder/County Clerk in accordance with Section 21152(a) of the California Public Resources Code.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approving the recommended actions will have minimal impact on current County services and hospital operations. Following your Board's approval, the construction of the parking structure will commence in April 2010, and complete by the end of 2010. The design-builder is required to coordinate its construction schedule to minimize disruption of the activities of the hospital that will remain fully functional during these construction activities. Extensive coordination and planning has been performed with the Department of Health Services and Public Works to identify and implement measures to mitigate potential construction conflicts and temporary loss of site parking during construction of the parking structure.

**CONCLUSION**

Please return an adopted copy of this letter to the Chief Executive Office, Capital Projects Division; Public Works, Project Management Division I; and Department of Health Services.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:GF:SK  
DJT:SW:zu

Attachments

- c: Executive Office, Board of Supervisors
- County Counsel
- Arts Commission
- Department of Health Services
- Department of Public Works
- Office of Affirmative Action Compliance
- Treasurer and Tax Collector

**ATTACHMENT**

**DEPARTMENT OF PUBLIC WORKS: HARBOR-UCLA MEDICAL CENTER  
SURGERY/EMERGENCY REPLACEMENT PROJECT  
APPROVE ADDENDUM TO MITIGATED NEGATIVE DECLARATION  
ADOPT MITIGATION MONITORING AND REPORTING PROGRAM  
EXERCISE UNILATERAL OPTION FOR CONSTRUCTION OF  
PARKING STRUCTURE  
SPECS. 5110, 6779; CAPITAL PROJECT 69220**

**I. PROJECT SCHEDULE**

<b>Project Activity</b>	<b>Board-Approved Schedule Completion Date</b>	<b>Proposed Schedule Completion Date</b>
Environmental Documents Amendment to MND	04/11/06* N/A**	04/11/06* 03/30/10
<u>Make-Ready</u>		
Jurisdictional Approvals	06/12/06*	06/12/06*
Construction Award	10/18/06*	10/18/06*
Construction Start	10/19/06*	10/19/06*
Substantial Completion	12/31/09	03/31/10
<u>Surgery/Emergency Building</u>		
Contract Award	09/08/09*	09/08/09*
Jurisdictional Approvals	12/26/11	12/26/11
Construction Start	11/24/09*	11/24/09*
Substantial Completion	07/24/13	07/24/13
Parking Structure		
Jurisdictional Approvals	N/A**	04/26/10
Parking Structure		
Construction Start	N/A**	04/26/10
Parking Structure		
Substantial Completion	N/A**	12/24/10
<u>Backfill</u>		
Jurisdictional Approvals	TBD	TBD
Construction Award	TBD	TBD
Construction Start	TBD	TBD
Substantial Completion	TBD	TBD

\* Indicates actual date

\*\* Not identified in the previously approved Board Letter.

## II. PROJECT BUDGET SUMMARY

Project Activity	Approved Project Budget
Land Acquisition	\$ 0
Construction	
Low Bid Construction Contract	2,321,654
Design-Build Contract	
S/E Building & Site	161,140,000
Option for Parking Structure	9,717,000
Job Order Contract	16,852,000
Purchase Order Contract	3,500,000
Southern California Edison Contract	285,000
Change Orders Total	18,320,346
Departmental Crafts	0
Youth Employment	0
Construction Consultants	0
Misc. Expense	
Design-Build Stipends	250,000
SidePlate License	107,000
Builder's Risk Insurance	2,000,000
Other	93,000
Telecomm Equip – Affixed to Building	2,100,000
Medical Equipment	32,762,000
Project Contingency	5,634,000
Civic Arts	0
Subtotal	\$255,082,000
Programming/Development	\$ 0
Plans and Specs	\$ 9,553,650
Consultant Services	
Site Planning	\$ 0
Hazardous Materials	490,000
Geotech/Soils Report and Soils Testing	1,006,000
Material Testing	3,960,000
Cost Estimating (Gkkworks)	560,845
Topographic Surveys	190,000
Construction Management (Gkkworks)	20,139,834
Peer Review (Gkkworks)	1,801,074
Design Management (Gkkworks)	1,012,981
Environmental	600,000
Move Management	267,000
Equipment Planning	975,000
Legal	1,971,000
Construction/Change Order	0
Other: Document Management	2,637,000
Other: Commissioning	823,266
Subtotal	\$ 36,434,000

## II. PROJECT BUDGET SUMMARY

Project Activity	Approved Project Budget
Miscellaneous Expenditures	\$ 262,000
Jurisdictional Review/Plan Check/Permit	\$ 3,970,000
County Services	
Code Compliance Inspection	\$ 3,305,175
Quality Control Inspection	2,857,525
Design Review	150,000
Design Services	100,000
Contract Administration	554,015
Project Management	7,169,958
Project Management Support Services	509,000
ISD Job Order Contract Management	402,000
DPW Job Order Contract Management	673,000
ISD ITS Communications	500,000
Project Security	0
Project Technical Support	581,268
Office of Affirmative Action	346,409
County Counsel	0
Regional Planning	15,000
Other: DPW Materials & Testing	10,000
Other: DPW Land Development	50,000
Other: DPW Traffic & Lighting	45,000
Other: DPW Design Division	10,000
Other: DPW Construction Division	10,000
Other: DPW Flood Maintenance Division	10,000
Subtotal	\$ 17,298,350
<b>TOTAL</b>	<b>\$ 322,600,000</b>